

ROUTING AND RECORD SHEET

SUBJECT: (Optional) Proposed Revision of LI 45-20, Small Purchases Branch							
FROM: Chief, Supply Division, OL <i>WJ</i>		EXTENSION <div style="border: 1px solid black; width: 50px; height: 30px; margin: 0 auto;"></div>	NO. <div style="text-align: right; font-weight: bold;">STAT</div>				
TO: (Officer designation, room number, and building)		DATE <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">RECEIVED</th> <th style="width: 50%;">FORWARDED</th> </tr> </table>		RECEIVED	FORWARDED	OFFICER'S INITIALS <div style="text-align: center; font-weight: bold;">STAT</div>	
RECEIVED	FORWARDED						
1. C/P&PS		2/27		<i>DM</i> Attached is a proposed revision of LI 45-20, SPB. The major change is to restrict the use of SPB to overseas installations and Headquarters components ordering items for shipment to overseas stations. SMB will be able to divert Hqs. area requests to SPB when it is advantageous to do so, however.			
2. <i>PSB for publication</i>				Minor changes are to authorize the use of unclassified letter requests direct to SPB and to require the approval of the Chief, Procurement Division for any exceptions to the types and amounts of items SPB can buy (except can approve purchases over the \$300 limit for expendable items).			
3. 150/100				PD has concurred in this revised LI.			
4. <i>Official file</i>				Although typed in final, it can still be easily changed if anyone finds fault, since it is on mag cards.			
5.				The current LI is attached for reference.			
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INSTRUCTION NO.
LI 45-20

LI 45-20
LOGISTICS
Revised February 1980

SUBJECT: The Supply Division Small Purchases Branch

1. PURPOSE

This Instruction defines policy and provides procedural guidance governing the operation of the Small Purchases Branch, (SPB) at [] Supply Division, Office of Logistics. []

2. GENERAL

- a. The primary function of SPB is to provide a quick-reaction procurement service to support operations overseas. Purchases are limited to the procurement of low-cost, common-use non-stock, Agency-sterile items having a unit cost of \$300 or less which are processed outside the formalized Materiel Procurement Allotment/Property Requisitioning Authority (MPA/PRA) and Financial Property Accountability (FPA) systems.
- b. Items procured by SPB are chargeable to operating funds rather than to PRA.

c. []

3. RESTRICTIONS ON THE USE OF SPB

- a. The SPB can accept requisitions from overseas installations and from Headquarters or [] in support of overseas operations. Other requisitions must be submitted through normal channels, i.e., to Supply Management Branch, SD, citing PRA. The Supply Management Branch may divert any requisition submitted through normal channels to SPB when it is advantageous because of urgency of the requirement, small quantity, or low value, provided the requisition qualifies within the limitations of paragraph b. below. Such diverted transactions shall be excluded from FPA procedures, the same as requisitions submitted directly to SPB.
- b. The SPB will not process or otherwise accept requests for:
- (1) Materiel presently available from Agency stocks.
 - (2) Items peculiar to the Agency and sensitive items.

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(3) Controlled items listed in

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(4) Drugs or medicines.

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(6) Items requiring technical office research or test and inspection.

(7) Items that would not normally be purchased by GSA.

(8) Items requiring more than 30 days to complete action from receipt of the request to shipment.

(9) Accommodation or reimbursable procurements.

- c. Purchases are limited to items having a unit cost of \$300 or less with a further limitation of \$2,500 total cost per requisition. Purchases will normally be made within the Washington Metropolitan area. Chief, may approve exceptions to the \$300 unit cost limitation for urgent expendable type items only. Any other exceptions must be referred to the Chief, Procurement Division, OL (or Acting Chief) for approval.

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4. SUBMISSION OF SPB REQUESTS

- a. Overseas customer requests should be submitted on a single-page unclassified letter, memorandum, dispatch, telepouch, or cable. Letter requests may be sent by APO/FPO mail channels. International mail may not be used. The letter mailing address for SPB is:

Small Purchases Unit

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- b. customer requests should be submitted on Form 88, Requisition for Materiel and/or Services.

- c. Telepouches and cables intended for SPB action must contain the action indicator Customers will be required to clearly annotate all requisitions, including those forwarded by letter or memorandum, with the legend

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"FOR SPB-NON-FPA." All requisitions must cite a Document Control Number (DCN) and the appropriate Financial Analysis Number (FAN) for the funds to be used.

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5. AUTHORITIES AND RESPONSIBILITIES

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- a. The Chief, SPB, will procure materiel within the limitations established in paragraph 3 above from sources and methods necessary to satisfy customer requirements within prescribed deadline dates.
 - b. The Finance Officer, will control and certify funds expended by SPB.
 - c. Payments for purchases made by SPB may be by any of the following methods, as appropriate:
 - (1) Commercial Vendor - by cash or by U.S. Treasury check
 - (2) GSA Self-Service Store - by GSA charge-a-plate or purchase order.

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SPB will obtain receipts or other appropriate documentation in support of purchase actions to enable the Finance Officer, to certify expenditures in accordance with established financial procedures.


- d. SPB will obtain 3 verbal bids on purchase orders exceeding \$500 except when sole source is justified.
- e. SPB will insert in the number one shipping container for each delivery or shipment a sterilized copy of the vendor's invoice identifying the transaction, stamped "NON-FPA" and stating the DCN, FAN, line item numbers, total cost, and whether a 'direct' (request made to SPB) or a 'diversion' (see paragraph g below).
- f. If SPB receives a Headquarters-originated request for materiel it cannot procure or otherwise process, it will notify the requisitioner that the request, or a particular line item, has been cancelled. If the request was field-originated, the appropriate Headquarters cognizant office will be contacted. In either case, the Headquarters component will then be responsible for initiation of a requisition (Form 88) through normal supply channels for the cancelled item(s), citing PRA in lieu of funds.

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- g. The Supply Management Branch will screen all requisitions received through the normal supply requisitioning channel and may, when advantageous (see paragraph 3a above), divert a requisition or individual line items to SPB for procurement action. In such instances, the requisitioning office will be advised of the diverted action by annotations on the edited copy of the Form 88 which will allow adjustment of the budget and fiscal officer's records. .

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James H. McDonald
Director of Logistics

cc: ea Logistics Officer

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